

New South Wales – Emergency Response Fund Recovery and Resilience 2021-22 Program – March 2022 Flood Event – Recovery Grant

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth of Australia New South Wales
Duration	This Schedule is expected to expire on the completion of the project
Purpose	<p>This Schedule will support the delivery of funding under the \$150 million recovery component of the <i>Emergency Response Fund Act 2019 (ERF Act)</i> to assist New South Wales to respond to and recover from the 2022 floods.</p> <p>Funding provided under this Schedule may be used by New South Wales to fund the carrying out of a project, or the adoption of technology that is directed towards achieving recovery from the floods.</p> <p>This grant is provided for the purpose of:</p> <ul style="list-style-type: none"> activities related to the recovery of a Local Government Area that experienced significant damage and/or destruction to infrastructure as a result of the February-March 2022 flood event. <p>In accordance with the requirements of the ERF Act, this grant must be directed toward measures in relation to recovery from the natural disaster in an affected area. Recovery measures are focused on returning an area affected by the natural disaster to before the natural disaster circumstances. The recovery measures must therefore have a connection between what is being funded and the consequences of the natural disaster.</p> <p>Projects to be funded under the grant must be submitted by New South Wales via an Implementation Plan and agreed by the Commonwealth prior to project commencement.</p> <p>Further detail on the eligible activities that the grant can be used for are outlined in the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines, and all grant activities must comply with these Guidelines.</p>

<p>Estimated financial contributions</p>	<p>The Commonwealth will provide to New South Wales an estimated total financial contribution of \$1 million (GST exclusive) in respect of this Schedule.</p> <hr/> <p>Table 1 (\$ million)</p> <table border="1"> <thead> <tr> <th></th> <th>2021-22</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>1,000,000</td> <td>1,000,000</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td>1,000,000</td> <td>1,000,000</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.0</td> <td>0.0</td> </tr> </tbody> </table>		2021-22	Total	Estimated total budget	1,000,000	1,000,000	Less estimated National Partnership Payments	1,000,000	1,000,000	Balance of non-Commonwealth contributions	0.0	0.0
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Less estimated National Partnership Payments	1,000,000	1,000,000											
Balance of non-Commonwealth contributions	0.0	0.0											
<p>Additional terms</p>	<p>1. Allocation of funds</p> <p>a. The Parties understand this Schedule is made in good faith and there is an expectation that funding will be apportioned to projects as determined through the Program, and as shown at <u>Attachment A</u>.</p> <p>2. Resolution of terms</p> <p>a. The Commonwealth and States will work together to resolve any conflicts arising through the Bilateral Schedules, using the approach set out below.</p> <p>i. The <i>Federal Financial Relations Act 2009</i> (Cth) and the <i>Emergency Response Fund Act 2019</i> (Cth) (ERF Act) will prevail over the Schedule, except for matters relating to monitoring and reporting, and auditing and assurance set out in the Audit and Reporting Framework (set out at Appendix A to the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines).</p> <p>ii. Terms relating to monitoring and reporting, and auditing and assurance are set out in this Schedule and the Audit and Reporting Framework.</p> <p>iii. Where items (2)(i) – (2)(iii) are silent or unclear, guidance material published by the Commonwealth may be relied upon to clarify any inconsistencies.</p> <p>3. Implementation Plan</p>												

- a. Project specific timeframes will be finalised after the commencement of this Schedule, in the form of an Implementation Plan.
 - i. The requirements of the Implementation Plan are set out in the Audit and Reporting Framework.
- b. The Implementation Plan will be developed by New South Wales and provided to the Commonwealth for approval. New South Wales must obtain Commonwealth approval (which will not be unreasonably withheld by the Commonwealth) within three months of the time this agreement commences, unless otherwise agreed by the Commonwealth..

4. Performance monitoring and reporting

- a. The parties acknowledge that payments under these agreements would usually be tied to the performance milestones at Table 2 **below**. In lieu of milestone based payments under this Schedule, states commit to honouring these reporting obligations required by this Schedule.
- b. The frequency and timing of reporting under this Schedule is set out at Table 2: Performance requirements, reporting and payment summary.
- c. The content requirements of reporting under this Schedule are set out in the Audit and Reporting Framework.

5. Third parties

- a. States may engage a third party to support the delivery of a project, service or adoption of technology in accordance with the ERF Act and under this Schedule.
- b. While third parties are not signatories to this Schedule, States are solely responsible for ensuring third party compliance with the *Emergency Response Fund Act 2019* (Cth) and the Emergency Response Fund Guidelines and the conditions of this Schedule.

6. Efficiencies

- a. Any efficiencies (underspends) realised from the delivery of projects under this grant should be directed towards projects under the Resilience Grant component of the Recovery and Post Disaster Resilience 2021-22 Program.

- b. The grant amount may be varied during the grant period through written agreement to vary the Schedule between the State Government and the Commonwealth.

7. Repayment of amounts to the Commonwealth

- a. In accordance with subsection 21(4) of the ERF Act, the Commonwealth reserves the right to recover an amount provided under this Schedule, where:
- i. a project cannot be delivered according to the specifications in the relevant implementation plan and the project cannot be appropriately scaled; and
 - ii. the Commonwealth and New South Wales cannot reach an agreement on how to reallocate the funds; or
 - iii. another condition of this Schedule is not met.
- b. The Commonwealth will determine whether an amount should be repaid, and if so, how much should be repaid, with regard to the circumstances of each matter.

8. Terms and Conditions

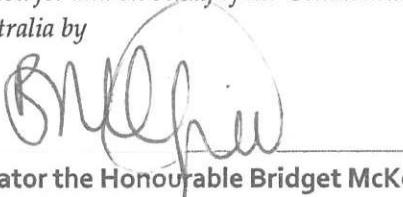
- a. The terms and conditions for this Grant are outlined in the *Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines*.

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Activities supporting the recovery of an area that experienced significant damage and/or destruction to infrastructure as a result of the February – March 2022 flood event	<p>New South Wales agrees and signs the Schedule</p> <p>New South Wales provides the approved Implementation Plan to the Commonwealth identifying what the Commonwealth's contribution will be used to achieve as well as the implementation timeframes</p> <p>New South Wales submits a Final Report no later than three months from the date that the project was completed, which identifies achievements against the implementation plan and demonstrates how funding has supported recovery.</p> <p>New South Wales submits Acquittal Summary Form and Financial Statement Form</p> <p>New South Wales submits an Audit Report completed by the state appointed auditor</p>	<p>Upon signature of Schedule</p> <p>Within three months of the commencement of this Schedule, unless otherwise agreed by the Commonwealth</p> <p>Within three months from the date that all projects under this Schedule are complete</p> <p>No later than three months from the date that the project was completed.</p> <p>No later than nine months from the end of the financial year in which the project was completed</p>	<p>\$1 million</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>

The Parties have confirmed their commitment to this schedule as follows:

*Signed for and on behalf of the Commonwealth of
Australia by*



Senator the Honourable Bridget McKenzie
Minister for Emergency Management and National
Recovery and Resilience

[Day] [Month] [Year]

30 MAR 2022

*Signed for and on behalf of the
State of New South Wales by*



The Honourable Stephanie Cooke, MP
Minister for Emergency Services and Resilience

[Day] [Month] [Year]

23 6 2022.

Attachment A

Funding Details

Measure	Description	Commonwealth funding
Recovery component	Fund activities that support recovery in an area that experienced significant damage and/or destruction to infrastructure as a result of the February-March 2022 flood event. Grant activities must comply with the Terms and Conditions outlined in the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines.	\$1,000,000
Total Commonwealth Funding		\$1,000,000

New South Wales – Emergency Response Fund Recovery and Resilience 2021-22 Program – Recovery & Resilience Grant

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule

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Duration	This Schedule is expected to expire on the completion of the project
Purpose	<p>This Schedule will support the delivery of funding under the \$150 million recovery component of the <i>Emergency Response Fund Act 2019 (ERF Act)</i> to assist New South Wales to respond to and recover from the 2022 floods.</p> <p>Funding provided under this Schedule may be used by New South Wales to fund the carrying out of a project, or the adoption of technology that is directed towards achieving recovery from the floods or improving resilience for future flood events.</p> <p>This grant is provided for the purpose of:</p> <ul style="list-style-type: none"> • the construction of flood protection or mitigation infrastructure in an area that experienced significant damage and/or destruction to infrastructure as a result of the February-March 2022 flood event. <p>Projects to be funded under the grant must be submitted by New South Wales, in writing, via an Implementation Plan and agreed by the Commonwealth prior to project commencement.</p> <p>Further detail on the eligible activities that the grant can be used for are outlined in the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines, and all grant activities must comply with these Guidelines.</p> <p>New South Wales may direct funding under this grant for the purposes of recovery or post-disaster resilience in those flood affected areas within the meaning of paragraphs 20(6)(c)-(f) of the ERF Act, which includes:</p> <ol style="list-style-type: none"> a. resilience to a future natural disaster of that kind that could affect that area (whether directly or indirectly);

- b. preparedness for a future natural disaster of that kind that could affect that area (whether directly or indirectly);
- c. reduction of the risk of a future natural disaster of that kind that could affect that area (whether directly or indirectly); and
- d. the long-term sustainability of a community or communities in that area.

Estimated financial contributions

The Commonwealth will provide to New South Wales an estimated total financial contribution of **\$74 million (GST exclusive)** in respect of this Schedule.

	2021-22	Total
Estimated total budget	74,000,000	74,000,000
Less estimated National Partnership Payments	74,000,000	74,000,000
Balance of non-Commonwealth contributions	0.0	0.0

Additional terms

1. Allocation of funds

- a. The Parties understand this Schedule is made in good faith and there is an expectation that funding will be apportioned to projects as determined through the Program, and as set out at **Attachment A**.

2. Resolution of terms

- a. The Commonwealth and States will work together to resolve any conflicts arising through the Bilateral Schedules, using the approach set out **below**.
 - i. The *Federal Financial Relations Act 2009* (Cth) and the *Emergency Response Fund Act 2019* (Cth) will prevail over the Schedule, except for matters relating to monitoring and reporting, and auditing and assurance set out in the Audit and Reporting Framework (set out at Appendix A to the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines).
 - ii. Terms relating to monitoring and reporting, and auditing and assurance are set out in this Schedule and the Audit and Reporting Framework.

- iii. Where items (2)(i) – (2)(iii) are silent or unclear, guidance material published by the Commonwealth may be relied upon to clarify any inconsistencies.

3. Implementation Plan

- a. Project specific timeframes will be finalised after the commencement of this Schedule, in the form of an Implementation Plan.
 - i. The requirements of the Implementation Plan are set out in the Audit and Reporting Framework.
- b. The Implementation Plan will be developed by New South Wales and provided to the Commonwealth for approval. New South Wales must obtain Commonwealth approval (which will not be unreasonably withheld by the Commonwealth) within three months of the time this agreement commences, unless otherwise agreed by the Commonwealth..

4. Performance monitoring and reporting

- a. The parties acknowledge that payments under these agreements would usually be tied to the performance milestones at Table 2 below. In lieu of milestone based payments under this Schedule, states commit to honouring these reporting obligations required by this Schedule.
- b. The frequency and timing of reporting under this Schedule is set out at Table 2: Performance requirements, reporting and payment summary.
- c. The content requirements of reporting under this Schedule are set out in the Audit and Reporting Framework.

5. Third parties

- a. States may engage a third party to support the delivery of a project, service or adoption of technology in accordance with the ERF Act and under this Schedule.
- b. While third parties are not signatories to this Schedule, States are solely responsible for ensuring third party compliance with the *Emergency Response Fund Act 2019* (Cth) and the Emergency Response Fund Guidelines and the conditions of this Schedule.

6. Repayment of amounts to the Commonwealth

- a. In accordance with subsection 21(4) of the *Emergency Response Fund Act 2019* (Cth), the Commonwealth reserves the right to recover an amount provided under this Schedule, where:
 - i. a project cannot be delivered according to the specifications in the relevant implementation plan and the project cannot be appropriately scaled; and
 - ii. the Commonwealth and New South Wales cannot reach an agreement on how to reallocate the funds; or
 - iii. another condition of this Schedule is not met.
- b. The Commonwealth will determine whether an amount should be repaid, and if so, how much should be repaid, with regard to the circumstances of each matter.

7. Terms and Conditions

- a. The terms and conditions for this Grant are outlined in the *Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines*.

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
<p>Construction of flood protection or mitigation infrastructure in an area that experienced significant damage and/or destruction to infrastructure as a result of the February – March 2022 flood event</p>	<p>New South Wales agrees and signs the Schedule</p>	<p>Upon signature of Schedule</p>	<p>\$74 million</p>
	<p>New South Wales provides the approved Implementation Plan to the Commonwealth identifying what the Commonwealth's contribution will be used to achieve as well as the implementation timeframes</p>	<p>Within three months of the commencement of this Schedule, unless otherwise agreed by the Commonwealth</p>	<p>N/A</p>
	<p>New South Wales submits a Progress Report three months from the date at which the Implementation Plan was submitted, which identifies progress against the implementation plan</p>	<p>After the Implementation Plan, three monthly until all projects under this Schedule are complete.</p>	<p>N/A</p>
	<p>New South Wales submits a Final Report no later than three months from the date that the project was completed which identifies achievements against the implementation plan and demonstrates how funding has supported flood protection or mitigation.</p>	<p>Within three months from the date that all projects under this Schedule are complete</p>	<p>N/A</p>
	<p>New South Wales submits Acquittal Summary Form and Financial Statement Form</p>	<p>No later than three months from the date that the project was completed.</p>	<p>N/A</p>
	<p>New South Wales submits an Audit Report completed by the state appointed auditor</p>	<p>No later than nine months from the end of the financial year in which the project was completed</p>	<p>N/A</p>

The Parties have confirmed their commitment to this schedule as follows:

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Senator the Honourable Bridget McKenzie
Minister for Emergency Management and National
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*Signed for and on behalf of the
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The Honourable Stephanie Cooke, MP
Minister for Emergency Services and Resilience

[Day] [Month] [Year]

23 - 6 - 2022

Attachment A

Funding Details

Measure	Description	Commonwealth funding
Infrastructure component	Fund the construction of flood protection or mitigation infrastructure in an area that experienced significant damage and/or destruction to infrastructure as a result of the February-March 2022 flood event. Grant activities must comply with the Terms and Conditions outlined in the Emergency Response Fund Recovery and Resilience 2021-22 Program Guidelines.	\$74,000,000
Total Commonwealth Funding		\$74,000,000